

**STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION**

**IN RE: THE NARRAGANSETT ELECTRIC COMPANY :
d/b/a NATIONAL GRID’S STANDARD OFFER : DOCKET NO. 4809
SERVICE RATES FOR THE INDUSTRIAL GROUP FOR :
THE PERIOD JANUARY 2020 THROUGH MARCH 2020 :**

ORDER

I. Introduction

On October 17, 2019, The Narragansett Electric Company d/b/a National Grid (National Grid or Company) filed its proposed Standard Offer Service (SOS) Rates for the Industrial Group for the period of January 1, 2020 through March, 2020.¹ On November 13, 2019, the Division of Public Utilities and Carriers (Division) filed a memorandum summarizing National Grid’s proposal and concluding that National Grid’s proposed Industrial SOS rates were correctly calculated and that the filing complied with the Company’s approved 2019 SOS Procurement Plan. At an Open Meeting on November 22, 2019, the Public Utilities Commission (PUC or Commission) approved the proposed rates, as filed. At an Open Meeting on December 17, 2019, the Commission approved the Company’s Motion for Protective Treatment of attachments.

II. National Grid’s Proposed Standard Offer Service Rates for January 2020 through March 2020 for the Industrial Group

National Grid currently procures SOS supply on behalf of its customers pursuant to the 2019 SOS Procurement Plan approved by the Commission at an Open Meeting on September 6, 2018.² The procurement plan authorizes National Grid to conduct solicitations throughout the year for Standard Offer Service in varying contract lengths.³ Based on these solicitations, the Company

¹ All filings in this docket are available at the PUC offices located at 89 Jefferson Boulevard, Warwick, Rhode Island or at [http://www.ripuc.org/eventsactions/docket/4809-NGrid-SOSRates\(R\)%20\(10-17-19\).pdf](http://www.ripuc.org/eventsactions/docket/4809-NGrid-SOSRates(R)%20(10-17-19).pdf).

² PUC Order No. 23366; [http://www.ripuc.org/eventsactions/docket/4809-NGrid-Ord23366%20\(1-3-19\).pdf](http://www.ripuc.org/eventsactions/docket/4809-NGrid-Ord23366%20(1-3-19).pdf).

³ The term standard offer service refers to electric service provided to distribution customers who have elected to receive service from National Grid instead of a competitive supplier.

files SOS rates for the Residential Group and Commercial Group twice per year and SOS rates for the Industrial Group quarterly.⁴ In this filing, National Grid Industrial proposed SOS retail rates for January 2020 through March 2020. The Company's proposed rates are designed to recover the cost of these procurements pursuant to R.I. Gen. Laws § 39-1-27.8. The Company derives no profit from the collection of standard offer service rates.⁵

The Industrial Group rate includes a current per kWh Standard Offer Adjustment Factor of \$0.00138, an Administrative Cost Factor of \$0.00233, and a Renewable Energy Charge of \$0.00063. The rates vary by each month of the quarter: \$0.12487/kWh for January; \$0.12371/kWh for February; and \$0.09818/kWh for March.⁶ The three-month average of these rates is \$0.11559, which is a 25% increase when compared with the October 2019 through December 2019 rate of \$0.08771/kWh. In comparison, the average for January through March 2019 was \$0.13198/kWh. The five-year average, from 2015 through 2019, for the months of January through March was \$0.11579/kWh.⁷

III. Division's Position

On November 13, 2019, the Division filed a memorandum summarizing National Grid's proposal and concluding that National Grid's proposed Industrial SOS rates were correctly calculated and that the filing complied with the PUC-approved SOS Procurement Plan.⁸ The Division noted that it had reviewed copies of the Company's September 6, 2019 Request for Proposals to solicit SOS supply, a redacted (and unredacted) summary of the procurement process identifying key actions taken by the Company, and redacted (and unredacted) versions of executed

⁴ The proposed SOS rates include the current per kWh SOS Adjustment Factor, SOS Administrative Cost Factor, and Renewable Energy Charge.

⁵ R.I. Gen. Laws § 39-1-27.3.

⁶ Filing at Attach.1 (Oct. 17, 2019).

⁷ Division Memo at 2; <http://www.ripuc.org/eventsactions/docket/4809-DIV-Memo%2011-13-19.pdf>.

⁸ *Id.* at 2.

Transaction Confirmations for the Industrial, Residential, and Commercial Groups. Additionally, the Division reviewed the Company's calculation of the SOS retail rates and a typical bill analysis for the Industrial Group. The Division recommended approval of the Company's filing and the Industrial retail rates for the period January 2020 through March 2020.

IV. Commission's Decision

At an Open Meeting on November 22, 2019, the PUC unanimously approved the Company's rates as filed, finding the same to be reasonable and in conformance with the approved procurement plan. At an Open Meeting on December 17, 2019, the PUC also granted the Company's motion for protective treatment of confidential materials.

Accordingly, it is hereby

(23879) ORDERED:

1. The proposed Standard Offer Service rates for the Industrial Group for the period January 2020 through March 2020 are approved.
2. The Narragansett Electric Company d/b/a/ National Grid's Motion for Protective Treatment for Confidential Attachments 5 and 6 is hereby granted.

EFFECTIVE AT WARWICK, RHODE ISLAND ON JANUARY 1, 2020 PURSUANT
TO OPEN MEETING DECISIONS ON NOVEMBER 22, 2019 and DECEMBER 17, 2019.
WRITTEN ORDER ISSUED AUGUST 19, 2020.

PUBLIC UTILITIES COMMISSION



Margaret E. Curran, Chairperson



Marion S. Gold, Commissioner



Abigail Anthony, Commissioner

NOTICE OF RIGHT OF APPEAL: Pursuant to R.I. Gen. Laws §39-5-1, any person aggrieved by a decision or order of the PUC may, within seven (7) days from the date of the order, petition the Supreme Court for a Writ of Certiorari to review the legality and reasonableness of the decision or order.